

City of Corunna  
Regular Council Meeting  
Monday, September 18, 2000

Present: Billis, Bayless, Bendall, Hornus, Ockerman.

Absent: Dumond (excused), Runyan (excused).

Guests: Lisa Hitchcock, City Manager; Chief Mark Hetfield, Police Department; Dick & Pat Sanderson; Larry Friess; Gladys Vibbert; Fred & Betty Bates; Officer Jeff Haynes, Police Department; Jackie Leone, The Argus Press; Robert Gilman; Judy Horton; Larry LeCureux; Robert Morehouse; Stephanie Wuttke, The Independent; Millie Taute; Jeff Bemus; and other concerned citizens.

The meeting was called to order in the City Council Chambers by Mayor Billis at 7:00 p.m.

MINUTES OF THE PREVIOUS REGULAR MEETING: Hornus moved, Bayless seconded to approve the minutes of the previous regular meeting.

Roll call vote:

Yes: Ockerman, Hornus, Bayless, Bendall.

No: None.

Motion CARRIED

AGENDA APPROVAL: Hornus moved, Bendall seconded to approve the agenda by changing Item No. 1) Consider Extension of 10-Day Notice to Consider Extension of Two 10-Day Notices. Councilperson Ockerman stated he wanted to add a motion to approve the budget amendment for the compensation study, which was approved at the last meeting. Councilperson Bendall asked what budget amendments were required. Councilperson Ockerman advised a motion should be made stating what line items would be changed and where the change was coming from. Councilperson Bendall asked if this was stated in the charter. Ms. Hitchcock advised no, a budget amendment is not needed if the change is within a department. Councilperson Ockerman stated it has been done before. Ms. Hitchcock stated a budget amendment is needed if a change was being made from one department to another department and the department totals were not changed. Councilperson Ockerman stated he felt there should be a motion to explain the change if there is an expenditure that was not budgeted and there is no line item. Ms. Hitchcock explained the motion that adopts the budget is per department and anything within the budget is under the manager's responsibilities. She further explained since the items listed in her manager's report were under budget then the department itself would not be over. Councilperson Ockerman stated he was comfortable with the changes if everyone else was.

Roll call vote:

Yes: Bayless, Bendall, Ockerman, Hornus.

No: None.

Motion CARRIED

APPROVAL OF VENDOR DISBURSEMENTS: Hornus moved, Bendall seconded to approve the vendor disbursements as presented.

Roll call vote:

Yes: Ockerman, Bayless, Hornus, Bendall.

No: None.

Motion CARRIED

CALL TO AUDIENCE: Nina Hall stated she lives at the end of John Street and has called the police department several times to have the music calmed down at the factory. She further stated she was coming to council to get it stopped. Mayor Billis asked which factory she was referring to. Ms. Hall advised the old Kenco factory located next to the elevator on S. Shiawassee Street. Mayor Billis asked Ms. Hall if she had contacted the factory. Ms. Hall advised she spoke directly to the factory management and they do not do anything about it. She further advised the same kid plays his music at 11:30 p.m. and again at 3:30 a.m. Councilperson Hornus asked if the speakers were located outside. Ms. Hall advised no, they were in the kid's car. Mayor Billis asked Ms. Hall if she was sure the kid was employed there. Ms. Hall advised yes, the company has already talked to him once and that is why he is still doing it because he thinks it is cute. She further advised she would take care of the situation herself if she has to. Councilperson Hornus stated the city has a noise ordinance. Ms. Hall stated when the police department drives through the parking lot the kid ducks down in his seat and turns off the radio. As soon as the officer leaves, the radio is turned up again. Mayor Billis asked how often it happens. Ms. Hall advised it happens all of the time including weekends. Mayor Billis asked how long the problem has occurred. Ms. Hall advised a long time and she came to council about it before. Councilperson Ockerman asked Ms. Hall if she contacted Ms. Hitchcock. Ms. Hall advised yes. Ms. Hitchcock stated she did not realize it was still an issue as she spoke to Ms. Hall about it several months ago and was under the understanding the situation was under control. Ms. Hitchcock further stated she would check to see what is being done. Councilperson Ockerman stated if the factory is not going to cooperate then the city council needs to do something. He asked Chief Hetfield if an officer was sent in the past. Chief Hetfield advised yes. Councilperson Ockerman asked Chief Hetfield if he knew where Ms. Hall lives. Chief Hetfield advised yes. Councilperson Ockerman asked if the police department has been at her home. Chief Hetfield advised the police department has parked on John Street. Councilperson Ockerman stated it was obvious that Ms. Hall has a problem or she would not be at the meeting. Chief Hetfield stated he was not aware the situation was still a problem. He further stated a patrol car checks the area on a regular basis. Ms. Hall stated when someone pays taxes they would like something done and if the factory will not take care of the situation then maybe a petition should be circulated against them. Mayor Billis thanked Ms. Hall for bringing the situation to council and advised her the situation would be looked into.

Larry Friess asked if the 10-day extension being added to the agenda was for the house near his house. Councilperson Hornus advised no.

CONSIDER EXTENSION OF TWO 10-DAY NOTICES: Councilperson Ockerman asked how long his car has sat on his property. Jeff Bemus advised two weeks. Councilperson Ockerman asked if Chief Hetfield agreed. Chief Hetfield advised no, it has to be there at least 30 days before a 10-day notice can be issued. Mr. Bemus advised it has been two weeks since he got the 10-day notice and the car has been there for about 30 days. Councilperson Ockerman asked if the car has to be licensed. Chief Hetfield advised no, it has to run. Councilperson Ockerman asked what makes it legal for the car to set there. Chief Hetfield advised the car has to be a legally running car that can go down the street. Mayor Billis asked if the car is checked to see if it runs. Chief Hetfield advised the owner has to drive the car for the police department in order to determine if the car is drivable. Councilperson Ockerman asked if this was the case for this vehicle. Mr. Bemus stated he has had the vehicle parked in Flint since 1982, and when he sold his house he had to move the car somewhere so he brought it to Corunna. He further stated he has not had a chance to work on the car and get it in running condition. Councilperson Ockerman stated the council is made up of reasonable people and have given extensions to people in the past, but there are ordinances that people have to abide by. He further stated council wants to be reasonable without showing partiality. He also stated a 30-day extension has been given to people in the past. Mr. Bemus stated there are individuals living on Mizner Street who have cars that do not run. Mayor Billis asked Mr. Bemus what time frame he wanted. Mr. Bemus advised six-months. Councilperson Ockerman stated that was unreasonable. Mr. Bemus stated it would take him awhile to get the car back on the road. Councilperson Hornus asked where the car was located. Mr. Bemus advised the car is kept in the back yard behind the garage and would be out of sight. Councilperson Ockerman stated council stretched another request to 30 days and forced the owner to do something with his car. He further stated to do something other than that for Mr. Bemus did not make sense to him. Councilperson Hornus suggested to Mr. Bemus that he put the car in his garage. Mr. Bemus advised he has three other vehicles and a tractor and he does not have room to put everything in the garage. Councilperson Hornus asked Mr. Bemus if he intended to restore the car. Mr. Bemus advised yes. Councilperson Hornus stated if the car was something that Mr. Bemus valued then it would be better to keep the car inside out of the weather instead of letting it set outside. Mr. Bemus stated he has a convertible and a tractor that he has to keep in the garage. He further stated the car needs some work and he needs time to do it. Ockerman moved, Hornus seconded to extend the ten-day notice given to Jeff Bemus until October 15, 2000.

Roll call vote:

Yes: Hornus, Bendall, Bayless, Ockerman.

No: None.

Motion CARRIED

Mayor Billis asked Gladys Vibbert if she was asking for a little more time to put a starter on her vehicle. Mrs. Vibbert advised yes. Mayor Billis asked how much time she needed. Mrs. Vibbert advised a new starter would be put in the black car by the weekend. She further advised the van has been moved to the back yard and Officer Clark knows that it runs and was not a junk car. Mayor Billis asked if the van has been looked at and runs. Mrs. Vibbert advised yes. Mayor Billis suggested giving Mrs. Vibbert two

weeks to fix the black car and van. Ms. Hitchcock stated if the van is listed on the ten-day notice then it also needs to be checked. Hornus moved, Ockerman seconded to extend the ten-day notice given to Gladys Vibbert for the black car and van until October 2, 2000.

Roll call vote:

Yes: Bendall, Bayless, Hornus, Ockerman.

No: None.

Motion CARRIED

INVESTMENT AND DEPOSITORY DESIGNATION RESOLUTION UPDATE: Bendall moved, Hornus seconded to accept the following Investment and Depository Designation resolution:

### **Investment and Depository Designation Resolution**

**WHEREAS**, the Council of City of Corunna, Shiawassee County, in exercising its fiduciary responsibilities desires to safeguard the funds of the city that may be invested from time to time, and

**WHEREAS**, Public Act 77 of 1989, MCL 41.77 requires that the city council designate the banks or depositories for the money belonging to the city, including the time for which the deposits shall be made and all details for carrying into effect the authority given in this act, and

**WHEREAS**, Public Act 196 of 1997, MCL 129.91 et seq. requires the city council, in consultation with the city treasurer, to adopt an investment policy, now

**THEREFORE BE IT RESOLVED that** this policy is applicable to all public funds belonging to City of Corunna and in the custody of the city treasurer.

**BE IT FURTHER RESOLVED**, that the City of Corunna's treasurer is authorized to manage funds belonging to the city, including depositing funds in approved financial institutions and administration of investments in conformance with MCL 41.77 and policies as set forth in this resolution.

**BE IT FURTHER RESOLVED**, that the city council approved the following financial institutions as depositories of city funds:

Old Kent Bank-Central  
123 N. Washington St.  
Owosso, MI 48867

Flagstar Bank  
2600 S. Telegraph Rd.  
Bloomfield Hills, MI 48302

Republic Bank  
1070 E. Main St.  
Owosso, MI 48867

Bank One  
101 W. Main St.  
Vernon, MI 48476

Chemical Bank-Key State  
100 E. Main Street  
Owosso, MI 48867

Dean Witter Reynolds, Inc.  
2367 S. Linden Rd.  
Flint, MI 48532

First Federal of Michigan  
200 E. Main St.  
Owosso, MI 48867

Multi-Bank Securities, Inc.  
28411 Northwestern Hwy.  
Suite 1350  
Southfield, MI 48034

MBIA Municipal Investors  
Service Corporation  
3135 S. State St., Suite 108  
Ann Arbor, MI 48108

**BE IT FURTHER RESOLVED**, that the treasurer shall recommend financial institutions for approval for the safekeeping of city funds based on an evaluation of the performance and solvency of the institution, as well as past performance in exercising due care and prudence in managing the custody of city funds held in trust, if applicable. The treasurer shall periodically evaluate approved and potential financial depositories and shall make recommendations as to appropriate changes in approved depositories when warranted.

In determining safekeeping and custody qualifications, financial institutions document a minimum capital requirement of at least \$10,000,000 and at least five years of operation. All financial institutions and brokers/dealers shall be pre-qualified by supplying the following:

- Audited financial statements
- Proof of NASD certification or FDIC insurance
- Proof of state registration
- Certification of having read, understood and agreement to comply with the City of Corunna's investment policy.

The treasurer shall annually examine the financial condition and registrations of qualified financial institutions and brokers/dealers by obtaining annual updates of the information listed above.

**BE IT FURTHER RESOLVED**, that when the treasurer's analysis of the city's cash flow requirements reveal that surplus funds will not be required to meet current expenditures for a specific length of time, the treasurer is authorized to make prudent investments for a length of time that will provide a reasonable return on investment yet ensure that such funds will be available when needed and will not be exposed to undue risk. The treasurer is authorized to invest city funds in the following instruments:

- (a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

- (b) Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States.
- (c) Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- (d) Repurchase agreements consisting of instruments listed in subdivision (a).
- (e) Bankers' acceptances of United States banks.
- (f) Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating services.
- (g) Mutual funds registered under the investment company act of 1940, title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:
  - (i) The purchase of securities on a when-issued or delayed deliver basis
  - (ii) The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.
  - (iii) The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.
- (h) Obligations described in subdivisions (a) through (g) if purchased through an interlocal agreement under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.
- (i) Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118.
- (j) The investment polls organized under the Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.

Investments in mutual funds shall be limited to securities whose intention is to maintain a net asset value of \$1.00 per share.

**BE IT FURTHER RESOLVED**, that the Corunna City Council may, at its discretion, and upon the recommendation of the city treasurer, authorize the city treasurer to invest in the following investment instruments. However, the city treasurer is required to obtain prior approval from the city council prior to acquiring or increasing the amount of city funds in the following investment instruments.

**BE IT FURTHER RESOLVED** That the objectives of this policy are:

foremost, maintain safety of principal of city funds;  
secondarily, maintain a diversified investment portfolio;  
maintain adequate liquidity;  
achieve a market rate of return on relatively safe investment instruments.

To accomplish these objectives, decisions and actions involving the city's investment portfolio shall meet the following criteria:

Safety: Safety of principal is the foremost objective of the city's investment practices. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall investment portfolio. The treasurer shall minimize credit risk by investing only in the safer types of securities pre-qualifying financial institutions, brokers/dealers, intermediaries, and advisers with whom the city will do business; and diversifying the investment portfolio so that the impact on the investment portfolio resulting from losses on individual securities will be minimized.

Diversification: The investments shall be diversified by avoiding over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities). Investments shall have varying maturities. Investment instrument selection shall avoid high credit risks and shall include use of readily available funds such as local government investment pools or mutual funds to maintain sufficient liquidity.

Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Securities shall have many maturity dates concurrent with cash flow needs. Securities with active secondary or resale markets, as well as money market mutual funds offering same-day liquidity for short-term funds shall also be used to ensure liquidity. The treasurer shall minimize interest rate risk by avoiding the need to sell securities prior to maturity and investing operating funds primarily in short term-securities, money market mutual funds or similar public investment polls. Securities shall not normally be sold prior to maturity except to minimize loss of principal; to improve the quality, yield or target duration in the portfolio; or to meet liquidity needs.

Return on Investment: The investment portfolio shall be designed to attain a market average rate of return during budgetary and economic cycles while taking into account investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to safety and liquidity objectives. The core of investments is limited to relatively low risk securities, and a fair rate of return relative to risk is assumed.

**BE IT FURTHER RESOLVED**, that the treasurer shall make such investments and only such investments as a prudent person would make in dealing with the property of another, having in view the preservation of the principal and the amount and regularity of the income to be derived.

The standard of prudence to be used shall be the “fiduciary” standard and shall be applied in context of managing an overall portfolio.

**BE IT FURTHER RESOLVED**, the treasurer may elect to have certificates and other evidence of investments held by a financial institution, provided that the financial institution presents to the city treasurer sufficient documentation and acknowledgement of the investment instruments held on behalf of the city.

**BE IT FURTHER RESOLVED**, that the treasurer shall refrain from personal business activity that could conflict with the proper execution and management of city investments, or that could impair the treasurer’s ability to make impartial investment decisions.

**BE IT FURTHER RESOLVED**, that the treasurer shall annually provide a written report to the City Council concerning the investment of the city’s funds.

**BE IT FURTHER RESOLVED**, that the city shall comply with all applicable statutory standards for investment of public funds as they now exist or as they may be subsequently amended. Any provision of this resolution that conflicts with applicable statutory requirements and standards is void.

Roll call vote:

Yes: Hornus, Ockerman, Bendall, Bayless.

No: None.

Motion CARRIED

SET PUBLIC HEARING FOR OCTOBER 2, 2000 AT 7:15 P.M. TO CONSIDER

AMENDMENT TO CHAPTER 54, PARKS AND RECREATION, OF THE CORUNNA CITY CODE: Ms. Hitchcock advised council was given two options to choose from. One option creates an additional section and the other option amends Section 54-2, which only addresses picking up after the pets. Councilperson Ockerman stated he wants some type of wording to prevent residents from dumping their personal garbage in the park containers. Mayor Billis asked if there would be appropriate containers placed in the park for the disposal of pet feces. Ms. Hitchcock advised she spoke with the superintendent of public works and all of the trash containers are lined and there would



not be a problem with placing the pet feces in the same containers. Mayor Billis stated he was concerned with the smell and asked if the pet feces would be put in plastic baggies. Ms. Hitchcock stated she would assume so. Mayor Billis stated if everyone picks up their pet feces and disposes of it in the containers in the park then the park will smell the same as it does now. Councilperson Hornus stated he has seen people carry plastic bags with them or wear plastic gloves and they pick up after their pets. Councilperson Hornus asked how often the containers are emptied. Ms. Hitchcock advised two or three times per week. Mayor Billis stated if the feces are put in the containers throughout the park no one will be able to walk around those cans because of the smell. Ms. Hitchcock asked Mayor Billis what he wanted to do with the feces and asked for solutions. Larry Friess asked who was going to police this. Cars still park on the grass and nothing is done about that. Mayor Billis stated he hopes people will abide by what is in the ordinance. Mayor Billis stated he did not think there was any law that is enforceable. He further stated the police department is not going to be able to enforce this ordinance 24 hours per day. He also stated the park was full of people on the Fourth of July and no matter where a person walked in the park there was dog doo doo. Mr. Friess stated that would be one more thing to add to the park sign, which people do not pay attention to anyway. Councilperson Hornus stated four or five years ago there was an ordinance written that would have prohibited pets from the park and the people who came to the public hearing stated they would pick up after their pets. Mayor Billis stated the public might not like the idea of what council is proposing here either. Judy Horton stated she chased one woman across the historical village because her dog did a number right behind the cemetery shed. When she finally caught her, she asked the woman to go back and pick up after her dog and the woman asked what Ms. Horton was talking about. Ms. Horton advised she asked the woman if she wanted her grandchildren to walk in her dog's doo doo and the woman stated she did not think about that. Ms. Horton stated if people in the park are aware of the ordinance then they should walk up to the person and ask them to pick up after their pet. There will be people who will not pick up their dog's doo doo, but most of the people will. Councilperson Ockerman stated he would be totally opposed to not allowing pets in the park. He further stated the city attorney might have a problem because he gets in his car and follows his dogs and he should have something in front of his car to catch it. Mayor Billis asked if the amendment to Section 54-19 should still include all pets. Ms. Hitchcock stated her intent was to include ferrets and any animal along that line that could be vicious and it would be discrimination to specify just dogs. Councilperson Bendall asked if a dog had to be on a leash on the street. Ms. Hitchcock advised no, just under voice command. Councilperson Bendall stated if there was a restriction in the park then it would not coincide with the leash law policy on the street. Ms. Hitchcock advised this would be strictly for the park and it would not affect the streets or anybody who has a dog in their yard. Mr. Friess stated he thought the ordinance stated a pet had to be on a leash. Ms. Hitchcock advised no, a pet has to be under the owner's command. Mr. Friess stated there was a leash law when he was on the council and if you took your pet out it had to be on a leash. Councilperson Bendall advised the law was not changed. Ms. Hitchcock read the city ordinance. Mayor Billis asked how much control he would have over his male dog if his dog gets near a female dog in heat. He stated he was concerned there could be a moment when an animal would get out of control in the park and bite or gnaw a child. He asked council what they

wanted to do. Councilperson Ockerman stated the leash requirement needs to be consistent with the rest of the city. Ms. Hitchcock asked if council wanted the leash law to include the city streets. Councilperson Ockerman advised no. Councilperson Bendall stated she was in favor of the second option. Councilperson Bayless stated council appeared to be in agreement about people picking up after their pets. He further stated he was in favor of a leash law for the park and he did not have a problem with the leash law being different in the park than in the city for the same reason the mayor stated. There is a high concentration of kids in the park because a lot of people use the park to walk their animals. He also stated he did not see a problem with having a leash law in the park for those reasons. Councilperson Bayless explained if people do not want to use a leash to walk their pet in the park, they have the option of walking their pet without a leash throughout the rest of the city. He further explained he was in favor of the first option and changing the container law verbiage so people could not bring their trash from home and dump it in the park cans. Councilperson Hornus agreed. Mayor Billis explained to the audience that council was going to make a decision to bring to the public. If a vote were taken right now, there would be a two to two vote on Section 54-19 and a four to zero vote on Section 54-2. He suggested changing the verbiage to "persons with pets shall dispose of their pet's feces in appropriate containers as provided by the person". Ms. Hitchcock asked Mayor Billis if he was suggesting that the person would take their pet feces with them. Mayor Billis advised yes, he favors people taking their pet's feces with them. Councilperson Bendall stated she did not have a problem with Section 54-19 since it addresses the issue about picking up pet feces. Councilperson Ockerman stated there should be verbiage included in Section 54-2 that addresses no dumping of home trash in the park. Bendall moved, Hornus seconded to set a public hearing for October 2, 2000 at 7:15 p.m. to consider an amendment to Chapter 54, Parks and Recreation, of the Corunna City Code. Ms. Hitchcock asked council if they wanted both copies available for the public hearing. Mayor Billis advised yes.

Roll call vote:

Yes: Ockerman, Hornus, Bayless, Bendall.

No: None.

Motion CARRIED

CALL TO AUDIENCE: Pat Sanderson stated she wanted to say something about the vehicles at the end of Mizner Street. There are four or six vehicles at the end of Mizner Street and four of them do not run. Ms. Sanderson asked why something was not being done with those vehicles. The cars cannot be seen from the road because of the shrubs and trees and this has been going on for three or four years. Mayor Billis stated this was the third time he has heard something about this piece of property since he has been mayor. Ms. Hitchcock advised the vehicles have been checked and they are made to run while the officer is present. Ms. Sanderson stated the vehicles were sitting in the same place and have not been moved. Ms. Hitchcock advised the vehicles could stay in the same location as long as they run. Dick Sanderson asked if the old truck and motor home both run because one of them is 40 years old. Mayor Billis asked if the truck and the motor home run. Ms. Hitchcock advised she had no idea and she would have Chief Hetfield check into the situation.

Judy Horton stated she spent a lot of time in the park this weekend and there were cars parked all over the grass. But, until the parks and recreation commission get more parking areas the people have no choice. Mr. Friess stated that was no excuse. There are places to park and he bets no one parked by the entrance to the park. Mrs. Horton stated that was the only place people did not park. Mr. Friess stated people are lazy and when the commission gets all of the parking they want; there will be no grass left.

CLOSED SESSION – LABOR NEGOTIATIONS: Hornus moved, Bendall seconded to leave the regular session and go into closed session for labor negotiations.

Roll call vote:

Yes: Bayless, Bendall, Ockerman, Hornus.

No: None.

Motion CARRIED Time was 8:05 p.m.

Bendall moved, Hornus seconded to leave the closed session and return to the regular session.

Roll call vote:

Yes: Ockerman, Bayless, Hornus, Bendall.

No: None.

Motion CARRIED Time was 8:38 p.m.

No action took place during the closed session.

ADJOURN: Hornus moved, Ockerman seconded to adjourn.

Roll call vote:

Yes: Bendall, Bayless, Hornus, Ockerman.

No: None.

Motion CARRIED Time was 9:07 p.m.

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DR. JAMES BILLIS, MAYOR

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YVONNE F. LONG, CITY CLERK